

**CONTRACT #3**  
**RFS # 317.03-134**

**Department of Finance &  
Administration**

**Office for Information  
Resources (OIR)**

**VENDOR:**  
**System Innovators, Inc.**



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

312 EIGHTH AVENUE NORTH  
SUITE 2100 TENNESSEE TOWER  
NASHVILLE, TENNESSEE 37243  
(615) 741-0300  
FAX (615) 532-8532

DAVE GOETZ  
COMMISSIONER

MIKE MORROW  
DEPUTY COMMISSIONER  
FOR OPERATIONS

**MEMORANDUM**

**TO:** Robert Barlow  
**FROM:** Mike Morrow *Mike Morrow*  
*MDA*  
**SUBJECT:** Waiver of 60-Day Lead-Time for Non-Competitive Amendment  
**DATE:** October 2, 2007

As a part of the suite of Enterprise Resource Planning (ERP) contracts, the State currently holds a contract with System Innovators, Inc. to provide cashiering services for the ERP project. The attached Amendment 1 leverages this existing contract to provide cashiering services to replace an aging and unsupported legacy cashiering system and provide a cashiering system for the new TRUST project.

The Departments of Finance and Administration (F&A) and Revenue have negotiated reasonable rates with System Innovators to replace the existing legacy cashiering system and support the need for a cashiering component for TRUST. The amendment includes implementation and training for the new cashiering system. Revenue has requested two options for performing the replacement: prior to ERP coming on-line and post ERP coming on-line. The final decision will be made after an assessment of the risk of a catastrophic hardware failure on the current system. If this risk is determined to be great, Revenue may choose to go ahead with the replacement as soon as possible.

The hardware for the current legacy cashiering system is aging and is no longer supported by the manufacturer. Repairs to this equipment are becoming increasingly difficult and there is the possibility that a hardware failure could severely impair the ability of the Department of Revenue to perform critical cashiering functions. Given the increasing unreliability of the cashiering hardware, it is important to quickly replace this cashiering system with an environment that is modern, supported, and compatible with the State's new ERP system. The time constraint Revenue is under to provide a needed point-of-sale component for the TRUST project is critical at this point. Therefore F&A requests a waiver of the normal 60-day lead-time for processing a Non-Competitive Amendment.



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FOR OPERATIONS**

October 2, 2007

Mr. James W. White  
Executive Director  
Fiscal Review Committee  
8<sup>th</sup> Floor, Rachel Jackson Bldg.  
Nashville, TN

Dear Sir:

Please find attached, for the Fiscal Review Committee's consideration, documentation of a Non-Competitive Amendment request pertaining to the State's contract with System Innovators, Inc. for the ERP Project. The Department of Finance and Administration respectfully requests to be placed on the agenda to present this request at the next Fiscal Review Committee meeting.

To facilitate the Committee's review, we present the following summary of the amendment:

1. Replaces aging TRUST cashiering system with ERP-compatible software and technology.
2. Adds additional money to the contract to cover costs related to TRUST iNovah Implementation.
3. Vendor will install a base version of its iNovah cashiering system.
4. At State's request, vendor will create a custom web interface for TRUST-related inquiries, searches, and updates.
5. At State's request, vendor will tailor the system to add TRUST-related custom reports and business requirements.

Thank you for your consideration of this request. We look forward to appearing before the Committee at its next scheduled meeting.

Sincerely,

MDA

Mike Morrow  
Deputy Commissioner

# REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration  
Date:

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) RFS #	317.03-134-07	
2) State Agency Name :	Finance and Administration	
<b>EXISTING CONTRACT INFORMATION</b>		
3) Service Caption :	Enterprise Resource Planning (ERP) software and support services. Amendment is to replace the TRUST cashiering system with ERP-compatible software and technology.	
4) Contractor :	System Innovators, Inc.	
5) Contract #	FA-07-16894-00	
6) Contract Start Date :	July 25, 2006	
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	Perpetual (STARS End Date: 06/30/2011)	
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$517,989.00	
<b>PROPOSED AMENDMENT INFORMATION</b>		
9) <u>Proposed</u> Amendment #	1	
10) <u>Proposed</u> Amendment Effective Date : (attached explanation required if date is < 60 days after F&A receipt)	October 16, 2007	
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	Perpetual (STARS End Date: 06/30/2011)	
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$669,261.00	
13) Approval Criteria : (select one)	<input checked="checked" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :		
As the owner of the current suite of Enterprise Resource Planning (ERP) contracts, Finance and Administration (F&A), acting on behalf of the Department of Revenue, is processing Amendment 1 to F&A's contract with System Innovators, Inc.		

This amendment replaces the cashiering system on the aging legacy system and adds cashiering functionality to the new TRUST project that is compatible with the future Enterprise Resource Planning (ERP) system. Additional services provided include implementation and training for the new cashiering system.

The amendment is structured in such a way as to allow Revenue to choose to replace their system prior to ERP coming on-line, or after it comes on-line. The amendment features different pricing structures for each option.

**15) Explanation of Need for the Proposed Amendment :**

The current legacy cashiering system runs on hardware with declining reliability that is no longer supported by the manufacturer. Repairs are increasingly difficult as the system ages. There is the possibility that a hardware failure could severely impair the ability of the Department of Revenue to perform their cashiering functions. The new TRUST system to replace the aging Title and Registration legacy system is scheduled to be brought up in March 2008 and the need for a cashiering system is a functionality of the system that needs to be addressed as soon as possible. The project team spent 18 months preparing an RFP for the TRUST point of sale component but failed to get a responsive bid from the two bidders who participated. Before submitting the RFP back to market, Revenue was introduced to this existing product in the ERP project that met the project's needs.

**16) Name & Address of Contractor's Current Principal Owner(s) :**  
(not required if proposed contractor is a state education institution)

Roger D. Nelson  
10550 Deerwood Park Blvd.  
Suite 700  
Jacksonville, FL 32256

**17) Documentation of Office for Information Resources Endorsement :**  
(required only if the subject service involves information technology)

select one:

☐

Documentation Not Applicable to this Request

☒

Documentation Attached to this Request

**18) Documentation of Department of Personnel Endorsement :**  
(required only if the subject service involves training for state employees)

select one:

☒

Documentation Not Applicable to this Request

☐

Documentation Attached to this Request

**19) Documentation of State Architect Endorsement :**  
(required only if the subject service involves construction or real property related services)

select one:

☒

Documentation Not Applicable to this Request

☐

Documentation Attached to this Request

**20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :**

None. Given the State's commitment to ERP, it is in the State's best interest to replace the current system with the same system that will be used to perform ERP cashiering.

**21) Justification for the Proposed Non-Competitive Amendment :**

Given the increasing unreliability of the current legacy cashiering hardware, it is important to quickly replace this cashiering system with an environment that is modern, supported, and compatible with the State's new ERP system. The time constraint Revenue is under to provide a needed point-of-sale component for the TRUST project is critical at this point. It would not make sense to engage another vendor to perform the cashiering upgrade, and then, at some point in the near future, have to address the compatibility issues with ERP. It is in the State's best interest to allow the ERP cashiering vendor to provide the TRUST cashiering system.

**REQUESTING AGENCY HEAD SIGNATURE & DATE :**

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)

Agency Head Signature

Date



# FAX/EMAIL TRANSMITTAL

## to Request OIR Procurement Endorsement

**TO :** Jane Chittenden, Director  
OIR Procurement & Contract Management **FAX # 741-6164**

**FROM :** Stephanie Richardson, ERP Project Director **FAX # 253-2980**

**DATE :** September 19, 2007

**RFS #** 317. 03 — 134 — 07

**RE :** Procurement Endorsement — Enterprise Resource Planning (ERP) software and support services. Amendment is to replace TRUST cashiering system with ERP-compatible software and technology.

**INFORMATION SYSTEMS PLAN PROJECT:** N/A

**NUMBER OF FAX PAGES (including cover) :** N/A

The nature and scope of service detailed in the attached service procurement document(s) appears to require Office for Information Resources (OIR) review and support, because the procurement involves information technology or information systems services.

This communication seeks to ensure that OIR is aware of the procurement and has an opportunity to review the matter. Please determine whether OIR is supportive of the procurement. If you have any questions or concerns about this matter, please call Stephanie Richardson at 615-253-2725.

**Please indicate below your response to this proposed procurement, and return this communication at your earliest convenience (note the return FAX number above).**

Thank you for your help.

Attachment(s)

Must include the entire contract or amendment document and where applicable, the non-competitive contract or amendment request form. The original contract and any prior amendments that were applied to the same section of the contract must be provided with an amendment. Electronic copies of the contract, amendments, and request form without signature are acceptable.

RFP documents must be provided in electronic form.

**OIR Endorsement :**

*Mark Bengel (JB)*

**OIR Chief Information Officer**

10/2/07

**Date**

# C O N T R A C T   S U M M A R Y   S H E E T

070407

<b>RFS #</b>				<b>Contract #</b>			
<b>317. 03 — 134 — 07</b>				<b>FA-07-16894-</b>			
<b>State Agency</b>				<b>State Agency Division</b>			
Finance and Administration				Office for Information Resources			
<b>Contractor Name</b>				<b>Contractor ID # (FEIN or SSN)</b>			
System Innovators, Inc.				<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V-		59-3227491	
<b>Service Description</b>							
Enterprise Resource Planning (ERP) software and support services. Amendment is to replace the TRUST cashiering system with ERP-compatible software and technology.							
<b>Contract Begin Date</b>		<b>Contract End Date</b>		<b>SUBRECIPIENT or VENDOR?</b>		<b>CFDA #</b>	
July 25, 2006		PERPETUAL STARS End Date: 06/30/2011		VENDOR			
<b>Mark Each TRUE Statement</b>							
<input checked="" type="checkbox"/> Contractor is on STARS				<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts			
<b>Allotment Code</b>	<b>Cost Center</b>	<b>Object Code</b>	<b>Fund</b>	<b>Funding Grant Code</b>	<b>Funding Subgrant Code</b>		
317.30	SYISL	083	15				
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>		
2007	\$310,889.00				\$310,889.00		
2008	\$199,322.00				\$199,322.00		
2009	\$50,450.00				\$50,450.00		
2010	\$52,980.00				\$52,980.00		
2011	\$55,620.00				\$55,620.00		
2012							
<b>TOTAL:</b>	<b>\$669,261.00</b>				<b>\$669,261.00</b>		
<b>— COMPLETE FOR AMENDMENTS ONLY —</b>				<b>State Agency Fiscal Contact &amp; Telephone #</b>			
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>	<b>State Agency Budget Officer Approval</b>  <b>Funding Certification</b> (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)				
2007	\$310,889.00						
2008	\$48,050.00	\$151,272.00					
2009	\$50,450.00						
2010	\$52,980.00						
2011	\$55,620.00						
2012							
<b>TOTAL:</b>	<b>\$517,989.00</b>	<b>\$151,272.00</b>					
<b>End Date:</b>	<b>PERPETUAL</b>	<b>PERPETUAL</b>					
<b>Contractor Ownership</b> (complete only for base contracts with contract # prefix: FA or GR)							
<input type="checkbox"/> African American		<input type="checkbox"/> Person w/ Disability		<input type="checkbox"/> Hispanic		<input type="checkbox"/> Small Business	
<input type="checkbox"/> Asian		<input type="checkbox"/> Female		<input type="checkbox"/> Native American		<input type="checkbox"/> NOT Minority/Disadvantaged	
<b>Contractor Selection Method</b> (complete for ALL base contracts— N/A to amendments or delegated authorities)							
<input type="checkbox"/> RFP		<input type="checkbox"/> Competitive Negotiation *			<input type="checkbox"/> Alternative Competitive Method *		
<input type="checkbox"/> Non-Competitive Negotiation *		<input type="checkbox"/> Negotiation w/ Government (ID, GG, GU)					
<b>* Procurement Process Summary</b> (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)							

**AMENDMENT ONE  
TO FA-07-16894-00**

This Contract Amendment is made and entered by and between the State of Tennessee, Department of Finance and Administration, hereinafter referred to as the "State" and System Innovators, Inc., hereinafter referred to as the "Software Provider." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

**1. The following provisions are added as Contract Section A.7:**

A.7. Title and Registration Users System of Tennessee (TRUST) iNovah Implementation. At the State's request, the Contractor will implement the iNovah system to perform cashiering functions for the State's TRUST system. All enhanced iNovah software will be delivered onsite at State facilities. There are three components of this implementation activity and they are priced separately as detailed in Contract Section C.3.h. Section A.7.a is the fundamental step in the TRUST iNovah Implementation, and may be purchased as a standalone option; however, in order to request either, or both, of the additional components described in A.7.b and A.7.c, the State must purchase the A.7.a component. However, the State is not obligated to purchase any services from the Contractor. Component descriptions are as follows:

A.7.a. Base Implementation. Contractor will install the base version of iNovah and create a custom web service interface for account inquiries to the legacy system using a web service wrapper around the DB2 database stored procedures. There will be no payment updates. All other business logic will conform to that allowed by the base iNovah configuration module.

The Base Implementation includes the following components:

- i. Project Management
- ii. Assessment Services
- iii. Delivery and Installation Services
- iv. System Training
- v. End User Training
- vi. Go-Live Onsite Support
- vii. Custom interface for account inquiries to legacy TRUST system, as described above

In accordance with the terms of the Contract: (1) there shall be no additional license fees; (2) any required additional copies of software and user licenses shall be provided free of charge; and (3) cashiering volumes shall be unlimited. Technical Support for the TRUST iNovah Implementation shall be provided in accordance with the terms of Contract Section A.4.

All Contractor travel and accommodation expenses are included within the fixed price.

The Base Implementation does not include any data conversion services from the current cashiering application into the iNovah payment database.

A.7.b. Custom Web Service Interface. Contractor will create a custom web service interface for account inquiries, lookups, search capabilities with allocation distributions, and updates to the TRUST system using web services. All other business logic will conform to that allowed by the base iNovah configuration module. This item also includes the creation of all payment forms, receipt forms, and business logic configurations.

A.7.c. Software Development. Contractor will perform additional software development services to modify the cashiering module to meet the Department's business requirements and to



create custom treasury/finance reports to facilitate bank balancing, depositing, and reconciliation. These services comprise the following:

- i. Custom Reports to match current treasury/finance reports for business process replication – 4 reports
- ii. Custom reports for automated generation of letters of approval and denial – 6 reports
- iii. Business Process Tailoring – To the extent that the base iNovah system, including modifications made under Contract Sections A.7.a and A.7.b, does not meet the State's requirements as described in Contract Attachment C, the Contractor shall perform the system tailoring necessary to meet the State's requirements, including, but not limited to, the following:
  - Title payments
  - Decal payments
  - Military transactions
  - Miscellaneous and pre-paid transactions
  - Letters of approval and denial tracking for various transaction types
  - Refund processing
  - Fleet transactions
  - Credit and debit card processing configuration and testing
  - Special receipt generation

A.7.d. The State will be responsible for acceptance testing the modifications to iNovah to ensure that the deliverables meet the State's needs as defined.

**2. The following provision is added as Contract Section A.8:**

A.8. TRUST iNovah Implementation Schedule. The Contractor will perform the TRUST iNovah implementation in accordance with the following estimated schedule:

<b>Milestone #1:</b> Delivery of base iNovah software and pre-configured iNovah database	30 days from amendment effective date
<b>Milestone #2:</b> Delivery of enhanced iNovah software and production iNovah database	90 days from amendment effective date
<b>Milestone #3:</b> Application Go Live and Project Acceptance	120 days from amendment effective date

**3. The text of the first paragraph of Contract Section C.1 is deleted in its entirety and replaced with the following:**

C.1 Maximum Liability. In no event shall the maximum liability of Licensee under this Contract exceed Six Hundred Sixty-Nine Thousand, Two Hundred Sixty-One Dollars, and No Cents (\$669,261.00) (the "Value of the Contract"). The License Fees in Section C.3 shall constitute the entire compensation due the Software Provider for the Service and all of the Software Provider's obligations hereunder regardless of the difficulty, materials or equipment required. The License Fees include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Software Provider, with the exception of Contract Section C.4.

**4. The text of Contract Section C.3.d is deleted in its entirety and replaced with the following:**

C.3.d. The Software Provider shall submit invoices in form and substance acceptable to Licensee with all of the necessary supporting documentation, prior to any payment. The

invoice shall present a complete itemization of the charges, which shall, at a minimum, detail the following:

- (1) Service or Milestone Description (including name /title as applicable) of each service invoiced;
- (2) Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;
- (3) Applicable Payment Rate of each service invoiced;
- (4) Amount Due by Service; and
- (5) Total Amount Due for the invoice period.

**5. The following provision is added as Contract Section C.3.h:**

**C.3.h. TRUST iNovah implementation Fees.**

- i. Base Implementation. This is a fixed-price component in the total amount of \$74,000.00. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following percentage payment rates:

<b>Service Description</b>	<b>Amount (per compensable increment)</b>
30% to be paid upon completion and State's written acceptance of Milestone #1: Delivery of base iNovah software and pre-configured iNovah database	\$22,200.00
30% to be paid upon completion and State's written acceptance of Milestone #2: Delivery of enhanced iNovah software and production iNovah database	\$22,200.00
40% to be paid upon completion and State's written acceptance of Milestone #3: Application Go Live and Project Acceptance	\$29,600.00

- ii. Custom Web Service Interface. This is a fixed-price component in the total amount of \$25,000.00. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following percentage payment rates:

<b>Service Description</b>	<b>Amount (per compensable increment)</b>
30% to be paid upon completion and State's written acceptance of Milestone #1: Delivery of base iNovah software and pre-configured iNovah database	\$7,500.00
30% to be paid upon completion and State's written acceptance of Milestone #2: Delivery of enhanced iNovah software and production iNovah database	\$7,500.00
40% to be paid upon completion and State's written acceptance of Milestone #3: Application Go Live and Project Acceptance	\$10,000.00

- iii. Software Development. These services shall be provided on an hourly basis at the State's request and the total amount of the hourly payments shall not exceed

\$52,272. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

<b>Service Description</b>	<b>Amount (per compensable increment)</b>
Software Development services as described in Contract Section A.7.c.	\$198.00 per Hour

- iv. The Contractor shall not be compensated for travel time to the primary location of service provision.

**6. Contract Attachment C attached hereto is added as a new Contract Attachment.**

The revisions set forth herein shall be effective October 16, 2007. All other terms and conditions not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF:**

**SYSTEM INNOVATORS, INC.:**

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**CONTRACTOR SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**DEPARTMENT OF FINANCE AND ADMINISTRATION:**

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**M. D. GOETZ, JR., COMMISSIONER**

**DATE**

**APPROVED:**

---

**M. D. GOETZ, JR., COMMISSIONER**

**DATE**

---

DEPARTMENT OF FINANCE AND ADMINISTRATION

---

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY      DATE

**Functional Areas (Mandatory Requirements):**

**A.1.1 Cash Drawer Maintenance** – The following functions are applicable to cash drawer sites where monetary and stock items, if applicable, are processed.

**A.1.1.1 Authenticate & Authorize Staff**

The purpose of this process is to open a cash drawer, assign the staff member responsible for operating this cash drawer, and to record the starting balance of the cash drawer.

Pre Condition: This occurrence of OFFICE and STAFF must exist. This occurrence of CASH DRAWER exists.

Post Condition: This occurrence of CASH DRAWER may be created. This occurrence of CASH DRAWER is related to OFFICE. An occurrence of CASH DRAWER ASSIGNMENT is created and related to STAFF. An occurrence of CASH DRAWER ACTIVITY and CASH DRAWER STATUS is created.

**A.1.1.2 Change Staff Member Assignment**

The purpose of this process is to end the assignment of a staff member currently responsible for the operation of a cash drawer and to assign a different staff member to take over this responsibility. The change of a staff member assignment can occur anywhere in the cash drawer maintenance cycle. The system must validate the cash before the new staff is assigned to the counter.

Pre Condition: This occurrence of CASH DRAWER, CASH DRAWER ASSIGNMENT (for staff currently assigned), and STAFF (staff member being assigned) must exist.

Post Condition: This occurrence of CASH DRAWER ASSIGNMENT is updated. An occurrence of CASH DRAWER ASSIGNMENT is created and related to STAFF.

**A.1.1.3 Record Instant Refund**

The purpose of this process is to record that an “instant” refund has been made from a cash drawer for an activity during that business day. The amount of the refund can only be for the actual value of the refund. A place to enter a reason for the refund must be provided.

Pre Condition: This occurrence of ACTIVITY, PAYMENT, and CASH DRAWER ACTIVITY must exist.

Post Condition: One or more occurrences of PAYMENT are updated. One or more occurrences of SUPPORTING DOCUMENT may be created and associated with ACTIVITY.

Implementation Consideration: The ability to execute this process may be restricted to designated staff members. Provide for the ability to record a supervisor's authorization of the refund. Provide for split payments (a combination of forms of payment for one transaction).

**A.1.1.4 Close Cash Drawer**

The purpose of this process is to designate a cash drawer as closed and to indicate that the reconciliation process for the monetary items can take place.

Pre Condition: This occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: This occurrence of CASH DRAWER STATUS is created.

**A.1.1.5 Record Ending Balances**

The purpose of this process is to record the monetary value for all activities conducted at this cash drawer.

Pre Condition: This occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: This occurrence of CASH DRAWER ACTIVITY is updated.

Implementation Consideration: This process may be repeated several times in the workday. IPSIS must provide for progressive processing; that is, multiple steps to processing a transaction at various sites. One transaction may have various parts that are keyed in at different cash drawers (example: cash received in mailroom for disabled placard, placard issued and application information keyed in at another station). Payments must be associated with a transaction. The processing must be in real time to avoid delays in process updates.

**A.1.1.6 Record Monetary Adjusting Entry**

The purpose of this process is to record the monetary amount of overage or underage that cannot be reconciled and the reason the adjustment was required.

Pre Condition: This occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: One or more occurrences of DRAWER ADJUSTMENT is created.

Implementation Consideration: During the reconciliation process, an incorrectly recorded payment, refund, or activity may be identified. System must provide the ability for the correction of all erroneous entries prior to the cash drawer being recorded as reconciled. An audit trail would exist for the activities before and after the adjustment.

**A.1.1.7 Record Approval of Monetary Adjusting Entry**

The purpose of this process is to record approval of one or more monetary adjusting entries by the staff member and supervisor designated with this responsibility.

Pre Condition: One or more occurrences of DRAWER ADJUSTMENT must exist.  
The occurrence of SUPERVISOR must exist.

Post Condition: One or more occurrences of DRAWER ADJUSTMENT are updated.

**A.1.1.8 Record Completion of Reconciliation**

The purpose of this process is to record that the reconciliation of a cash drawer has been completed and the monetary value of the cash drawer has been reconciled.

The system will not proceed to next business transaction unless and until the system has recorded completion of successful reconciliation. Provide for system administrator's override of this function to permit continuation of work. Also provide for approval of override by supervisor.

Pre Condition: This occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: This occurrence of CASH DRAWER STATUS is created.

**A.1.2 Payment Maintenance**

**A.1.2.1 Record Receipt of Payment at Cash Drawer**

The purpose of this process is to record that a customer's payment for one or more activities has been received and is included in a cash drawer's balance. The system must provide for the calculation of fees, credits, taxes, penalties and interest. The point of sale system must interface with the TRUST database to access the appropriate fees and taxes

Pre Condition: This occurrence of PAYMENT does not exist. One or more occurrences of ACTIVITY must exist. An occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: One or more occurrences of PAYMENT are created. One or more occurrences of SUPPORTING DOCUMENT may be created and associated with appropriate ACTIVITY. One or more occurrences of ACTIVITY PAYMENT is created and associated with the appropriate ACTIVITY.

Implementation Considerations: System must provide for receipt of all methods of payments. For payments by credit/debit card, provide the ability to electronically read and record credit/debit card information and to validate and record credit/debit card authorization information in system. For payments by check, provide the ability to use electronic check acceptance equipment. Additionally, the system must provide for split payment types where the customer can pay for a transaction with a combination of any method of payment.

Provide the ability to electronically perform check acceptance and record the information in system.

**A.1.2.2 Record Receipt of Journal Voucher at Cash Drawer**

The purpose of this process is to record a receipt of Journal Voucher received from different state agencies.

Pre Condition: This occurrence of PAYMENT does not exist. One or more occurrences of ACTIVITY must exist. An occurrence of CASH DRAWER ACTIVITY must exist.

Post Condition: One or more occurrences of PAYMENT are created. One or more occurrences of SUPPORTING DOCUMENT may be created and associated with appropriate ACTIVITY. One or more occurrences of ACTIVITY PAYMENT is created and associated with the appropriate ACTIVITY.

**A.1.2.3 Record Bad Check**

The purpose of this process is to record that a bad check has been received as payment for one or more activities and to record that funds associated with this check cannot be applied as payment for the activity, and to 'flag' the customer that remitted the bad check. The system must provide for the ability to invalidate any transactions connected with a bad check for payment. Also the system must provide an interface with the TRUST system to trigger a letter notifying the customer of a bad check. When a check is cleared the system must provide for validating the original transaction. The system must provide for status codes (i.e., valid, invalid) to change status of previous transactions or put a stop on future transactions

Pre Condition: This occurrence of PAYMENT must exist. One or more occurrences of ACTIVITY must exist. This occurrence of CUSTOMER must exist.

Post Condition. This occurrence of CUSTOMER and one or more occurrences of PAYMENT are updated. One or more occurrences of SUPPORTING DOCUMENT may be created and associated with appropriate ACTIVITY.

**A.1.2.4 Record Deposit**

The purpose of this process is to summarize the receipts for the bank deposit. Depending on the site, reports must be generated to facilitate summary of bank deposit information.

Condition: This occurrence of DEPOSIT does not exist. One or more occurrences of PAYMENT must exist.

Post Condition: This occurrence of DEPOSIT is created and associated with all PAYMENT(s) included in the amount deposited.

**A.1.3 County Fee Remittance****A.1.3.1 Record County Remittance of Fees and Receipt of Work**

The purpose of this process is to record that a county has remitted to the State fees collected for services and/or associated penalties for the late remittance of fees and received the work (title and registration applications, renewals and other documents) included with the invoice for these services.

Remittances must be recorded in account number order. A standard remittance summary report must be generated to accompany the County's invoice. The invoice must include all the County transaction detail and must link to the summary report.

The system must provide for the recording of invoice dates and receipt dates for the remittances and work received by the T&R Division staff. The dates are recorded to determine whether the County remittances and work were delinquent or on time. The system must interface with the TRUST letter database to trigger the generation of a delinquency letter.

Pre Condition: This occurrence of OFFICE and one or more occurrences of ACTIVITY FEE TAX must exist. One or more occurrences of PENALTY related to previous REMITTANCE(s) may exist. This occurrence of REMITTANCE does not exist.



Post Condition: This occurrence of REMITTANCE is created.

Implementation Considerations: Counties not using the State sponsored IPSIS must be required to submit their remittance information in defined electronic formats to comply with the standardized remittance summary report and invoice information.

### A.3 Report Listing

The following is a listing of reports required for the system. Prior to system implementation, it is anticipated that there must be additional reports and variations to the list shown below. The Vendor will design the report layouts for the following reports and will deliver these layouts during the Design Phase. However, the State will create the reports; the vendor is only responsible for report design. For reference purposes the following are provided:

- Bad Check Report
- Cash Drawer Activity Report
- Cash Drawer Closing Report
- Daily Invoice Report
- Credit Or Debit Card Activity
- Daily Audit Report
- Daily Deposit Summary Report
- Funds Due From Counties
- Inadequate Funds Report
- Issued Plates And Decals
- Overdue Funds Report
- Fee List
- Quantity Of Plates Received And Fees Collected
- Refund Transaction Report
- Summarized Daily Remittance
- Transaction Receipt
- Wheel Taxes Report

# C O N T R A C T   S U M M A R Y   S H E E T

060706

<b>RFS #</b> 317.03 — 134 — 07		<b>Contract #</b> FA-07-16894-00	
<b>State Agency</b> Finance and Administration		<b>State Agency Division</b> Office for Information Resources	
<b>Contractor Name</b> System Innovators, Inc.		<b>Contractor ID # (FEIN or SSN)</b> <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 59-3227491	
		<b>RECEIVED</b> OCT 02 2007	

<b>Service Description</b> Enterprise Resource Planning (ERP) software and support services.			
<b>Contract Begin Date</b>		<b>Contract End Date</b> PERPETUAL STARS End Date: 06/30/2011	
<b>Final Signature Date:</b>		<b>SUBRECIPIENT or VENDOR?</b> VENDOR	
		<b>CFDA #</b>	

<b>Mark Each TRUE Statement</b>					
<input type="checkbox"/> Contractor is on STARS			<input type="checkbox"/> Contractor's Form W-9 is on file in Accounts		
<b>Allotment Code</b> 317.30	<b>Cost Center</b> SYISL	<b>Object Code</b> 083	<b>Fund</b> 15	<b>Funding Grant Code</b>	<b>Funding Subgrant Code</b>
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2007	\$310,889.00				\$310,889.00
2008	\$ 48,050.00				\$ 48,050.00
2009	\$ 50,450.00				\$ 50,450.00
2010	\$ 52,980.00				\$ 52,980.00
2011	\$ 55,620.00				\$ 55,620.00
2012					
<b>TOTAL</b>	<b>\$517,989.00</b>				<b>\$517,989.00</b>

<b>COMPLETE FOR AMENDMENTS ONLY</b>			<b>State Agency Fiscal Contact &amp; Telephone #</b> Maureen Abbey 741-6070		
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>	<b>State Agency Budget Officer Approval</b>  <i>Maureen Abbey</i>		
			<b>Funding Certification</b> (certification required by 10 C.A.R.S. 9-4.511b that there is a balance in the appropriation from which the obligated expenditures required to be paid that is not otherwise encumbered to pay obligations previously incurred)  <i>M.D. Garty, Jr.</i>		
<b>TOTAL</b>					
<b>End Date</b>					

<b>Contractor Ownership</b> (complete only for base contracts with contract # prefix FA or GR)					
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input checked="" type="checkbox"/> Small Business	<input type="checkbox"/> NOT minority/disadvantaged	
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—		

<b>Contractor Selection Method</b> (complete for ALL base contracts—N/A to amendments or delegated authorities)			
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input checked="" type="checkbox"/> Alternative Competitive Method	
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government (e.g., ID, GG, GU)	<input type="checkbox"/> Other	

<b>Procurement Process Summary</b> (complete for selection by Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)	
<p>The means of procurement was RFP 317.03-134. During the course of the RFP process the decision was made to pursue a Best and Final Offer (BAFO) process. In summary, this BAFO process entailed receiving Initial Technical Proposals, evaluating these and combining the resultant scores with scores from the Software Demonstrations. The State then prepared a BAFO Request document for each Proposer, which specified areas in which the State needed further clarification or response from the Proposer. The Proposer then responded to the BAFO Request with a BAFO Technical and Cost Proposal. These were evaluated and the apparently successful Proposer was named. This process is described in greater detail in RFP Attachment 6.20, and in the Alternative Procurement Method Request that appears in the accompanying documentation.</p>	

**RECEIVED**  
JUL 20 2006

# C O N T R A C T   S U M M A R Y   S H E E T

060706

<b>RFS #</b>	<b>Contract #</b>
<b>317.03 — 134 — 07</b>	<i>FA-07-76894-00</i>
<b>State Agency</b>	<b>State Agency Division</b>
Finance and Administration	Office for Information Resources
<b>Contractor Name</b>	<b>Contractor ID # (FEIN or SSN)</b>
System Innovators, Inc.	<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 59-3227491

<b>Service Description</b>			
Enterprise Resource Planning (ERP) software and support services.			
<b>Contract Begin Date</b>	<b>Contract End Date</b>	<b>SUBRECIPIENT or VENDOR?</b>	<b>CFDA #</b>
Final Signature Date:	PERPETUAL STARS End Date: 06/30/2011	VENDOR	

<b>Mark Each TRUE Statement</b>					
<input type="checkbox"/> Contractor is on STARS			<input type="checkbox"/> Contractor's Form W-9 is on file in Accounts		
<b>Allotment Code</b>	<b>Cost Center</b>	<b>Object Code</b>	<b>Fund</b>	<b>Funding Grant Code</b>	<b>Funding Subgrant Code</b>
317.30	SYISL	083	15		
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2007	\$310,889.00				\$310,889.00
2008	\$ 48,050.00				\$ 48,050.00
2009	\$ 50,450.00				\$ 50,450.00
2010	\$ 52,980.00				\$ 52,980.00
2011	\$ 55,620.00				\$ 55,620.00
2012					
<b>TOTAL</b>	<b>\$517,989.00</b>				<b>\$517,989.00</b>

<b>COMPLETE FOR AMENDMENTS ONLY</b>			<b>State Agency Fiscal Contact &amp; Telephone</b>	
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>	Maureen Abbey 741-6070	
			<b>State Agency Budget Officer Approval</b>	
			<i>Maureen Abbey</i>	
			Funding Certification (certification required by T.E.A. § 9-4-0113 that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)	
<b>TOTAL</b>				
<b>End Date</b>				

<b>Contractor Ownership</b> (complete only for base contracts with contract # prefix FA or GR)				
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input checked="" type="checkbox"/> Small Business	<input type="checkbox"/> NOT minority/disadvantaged
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—	
<b>Contractor Selection Method</b> (complete for ALL base contracts — N/A for amendments or delegated authorities)				
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input checked="" type="checkbox"/> Alternative Competitive Method		
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government (e.g., ID, GC, GU)	<input type="checkbox"/> Other		

<b>Procurement Process Summary</b> (complete for selection by Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)	
<p>The means of procurement was RFP 317.03-134. During the course of the RFP process the decision was made to pursue a Best and Final Offer (BAFO) process. In summary, this BAFO process entailed receiving Initial Technical Proposals, evaluating these and combining the resultant scores with scores from the Software Demonstrations. The State then prepared a BAFO Request document for each Proposer, which specified areas in which the State needed further clarification or response from the Proposer. The Proposer then responded to the BAFO Request with a BAFO Technical and Cost Proposal. These were evaluated and the apparently successful Proposer was named. This process is described in greater detail in RFP Attachment 6.20, and in the Alternative Procurement Method Request that appears in the accompanying documentation.</p>	

**SOFTWARE LICENSE  
BETWEEN THE STATE OF TENNESSEE  
AND  
SYSTEM INNOVATORS, INC.**

This Software License (the "Contract"), by and between the State of Tennessee, by and through the Department of Finance and Administration, hereinafter referred to as the "Licensee" and System Innovators, Inc., hereinafter referred to as the "Software Provider," is for the provision of software and support services pertaining to Licensee's Enterprise Resource Planning (ERP) Software and Services project, as further defined in the "SCOPE OF SERVICES."

The Software Provider is a for-profit corporation. The Software Provider's address is:

10550 Deerwood Park Blvd., Suite 700  
Jacksonville, Florida 32256

The Software Provider's place of incorporation or organization is Florida.

**A. SCOPE OF SERVICES:**

A.1. General Scope. The Software Provider will provide the software license and support as set forth in this Contract.

A.2. Definitions and Relationship of Software Provider, State as Licensee, and Licensee's implementation vendor.

A.2.a. The Software Provider agrees to fully cooperate with the Licensee's implementation vendor, hardware vendor, other software vendors, and /or contractors throughout the implementation of the software, and thereafter, to assist in the determination of the cause of any issues related to the software and/or the system as implemented. The Software Provider is responsible, in accordance with the Warranty and Support provisions of this Software License, for the resolution of issues as related to the software licensed to the Licensee by the Software Provider.

A.2.b. While the Licensee has a contract with the implementation vendor, the Licensee's implementation vendor shall manage and coordinate the implementation efforts of the Software Provider. The Software Provider must enter into a written agreement (subcontract) with the implementation vendor. This relationship notwithstanding, throughout the term of the Software License, Licensee may contact the Software Provider directly if such contact is deemed by Licensee to be in the best interest of the ERP project.

**A.3 Specific Software Provisions.**

A.3.a. The Software Provider shall provide Licensee with the software and ongoing technical support for the software products described in Attachment A to this Contract, attached hereto and made a part hereof by reference. "Software" shall mean all products listed by name in Attachment A, including, but not limited to, modules, complete applications, components, builds, add-ons, plug-ins, and individual lines of software code; and including the Contractor-Owned Software, Custom-Developed Application Software, and Rights Transfer Application Software as those terms are defined herein in Section D.4. This Contract, including its attachments, is the sole agreement between Licensee and Software Provider with respect to the Software. Licensee will not enter into any other software licensing agreements with the Software Provider for the products listed in Attachment A.

A.3.b. Software Provider hereby grants to Licensee a non-exclusive, non-transferable, irrevocable, perpetual license with right of sublicense; to use the Contractor-Owned Software for Licensee's Internal Business Operations, but not including the right to market or sell the software for commercial purposes, in machine-readable object code in the Territory (the "License"). "Internal Business Operations" shall mean all

business of any kind undertaken by or on behalf of the State of Tennessee, its agents or its representatives. "Territory" shall mean throughout the world.

A.3.c. Under this Contract, the following licensure provisions apply:

- i. Unlimited User License. Unlimited numbers of Licensee users shall be able to access and use the Software, in accordance with the terms of this License, including but not limited to, employees of Licensee, service providers or potential service providers of Licensee, and non-employee individuals transacting business of any kind with Licensee.
- iii. Unlimited Device License. Licensee may install the Software on an unlimited number of devices, in accordance with the terms of this License.

A.3.d. The License includes access to documentation and other proprietary information related to the Software (the "Proprietary Information"), which Software Provider shall deliver to Licensee promptly upon execution of the Contract and which Software Provider shall update and supplement as required during the Term of this License, in accordance with Section A.4 below.

A.3.e. Licensee shall not copy, retain, or disclose Proprietary Information or the Software except to the extent necessary for the performance of this Contract and the use of the Software, and except as required by law.

A.3.f. The License includes the right to make Modifications to the Software as Licensee determines is necessary. "Modifications" shall mean any revisions or improvements made to the Software.

A.3.g. All right, title and interest in and to the Software shall be governed by the provisions contained in Section D.4 of this Agreement.

A.3.h. Software Provider Responsibilities. Software Provider shall:

- i. Install the Software in Licensee's development environment and demonstrate successful completion of the Vendor Baseline Test Suite (The "Initial Software Installation"). "Vendor Baseline Test Suite" means that all baseline software as proposed (including any 3<sup>rd</sup> party software proposed and required to meet functional requirements in the RFP) has been properly installed and is functioning as intended; and Software Provider's test suite has been run and verified against installed software. See Contract Attachment B for the Vendor Baseline Test Suite.
- ii. Provide Support as defined in Section A.4 of this Agreement, renewable annually, for the full Term of the Contract.
- iii. For successful performance of these duties, Software Provider will be compensated in accordance with Section C.3.

A.3.i. Licensee Responsibilities. Licensee's responsibilities under this Agreement are to be provided at no charge to Software Provider and shall include:

The Licensee will (i) Provide Software Provider access to software, systems, and personnel including third party technical support as necessary for the acceptance of the System; (ii) Explain software requirements to Software Provider personnel and provide copies of data on printed materials and/or magnetic storage media that may assist Software Provider in delivering properly configured Software; and (iii) Provide Software Provider with a Virtual Private Network "VPN" connection to enable remote and support of the System defined within this Contract.

The Licensee will ensure the following training related activities are undertaken; (i) Schedule qualified and sufficient staff to attend the various training classes; (ii) Ensure staff scheduled for 'Train the Trainer' training attend training sessions and prepare suitable Licensee-specific materials as appropriate, and (iii) Ensure Licensee operations personnel and support personnel attend training as scheduled.

Licensee is responsible for the results obtained from the use of the Software Provider' Products and Services, and is solely responsible for the actual content of any data file, selection and implementation of controls on its access and use, and security of the stored data. The parties acknowledge that Licensee is the exclusive owner of any and all stored data.

A.3.j. Export Control. The Software, documentation, and other proprietary information are or may be subject to regulation by agencies of the U.S. Government, including the U.S. Department of Commerce, prohibiting the export or diversion of certain technical products to certain countries.

A.4. Technical Support.

A.4.a. Software Provider's primary activities for Technical Support are fully dependent on the availability of efficient and cost effective remote access to the Licensee Network (i.e. a Virtual Private Network "VPN" connection provided by Licensee). Reported problem severities used for Technical Support under this agreement are defined as follows:

Severity	General Definition
1 – Critical	System inoperative, system down, high priority problems with potentially high impact to the Licensee business
2 – Major	Important to business, but not vital that it is resolved immediately ( medium business impact )
3 – Minor	Not crucial to overall operation of the System, minor impact to the business, or a suitable work-around has been provided to the Licensee ( low business impact )

Software Provider shall provide the following services under this Contract for the Software: (i) Help desk support including technical assistance by telephone, Internet, modem, email and/or courier; (ii) Correction of errors or deficiencies in licensed Software Provider Software; (iii) Maintenance of customized software at Software Provider office for access by Software Provider personnel; (iv) Development and configuration services for changes required by legislation or policy; (v) Development and configuration services for maintenance of application programming interfaces (API) created by Software Provider; (vi) Maintenance releases of licensed Software Provider Software and documentation, as available; (vii) Development and configuration services required to upgrade Covered Software to a more recent, released version, (viii) Off-site backup of Software Provider iNovah source code and Licensee-specific customizations; (ix) Telecommunication charges associated with Software Provider initiated calls for telephone and remote support services; (x) Toll-free telephone service for incoming Licensee support calls; and (xi) Postage and freight charges associated with the delivery of Software Provider software and documentation updates.

Software Provider provides Support for licensed Software Provider Software, that has been Accepted and installed a production environment as follows; (i) Critical issues receive full time attention until the problem is resolved or a work around has been identified; (ii) Major level issues are addressed within 48 hours, and (iii) Minor issues are addressed within 5 business days. (iv) If a problem is resolved by software programming change, the change will be included in an upcoming release of the software. (v) Critical and/or Major fixes may also be supplied as temporary 'patch' for immediate use in advance of a full or planned release.

The following services are specifically excluded from Technical Support: (i) Programming services relating to custom enhancements or modifications not specified in this Contract, (ii) the creation or modification of additional programs or new interfaces to other applications; (iii) training services; and (iv) support of any software or 3rd party system not defined under this Contract. Such services, if requested by the Licensee, may be provided by Software Provider for an additional fee.

A.4.b. The Software Provider shall provide technical support to Licensee—via on-line interface and toll-free telephone number—for the Software ("Support"). Support shall be available Monday through Friday, excluding State holidays, between the hours of 7:00 AM and 7:00 PM Central Time. The personnel responding to these requests and providing this support shall be trained to enable them, in most cases, to

address questions and solve problems themselves, without having to escalate the questions for response.

A.4.c. In the event that a problem does require escalation, the Software Provider shall respond to requests for technical support, or requests for information within the time frames specified in Section A.4.a, by either correcting the problem, providing technical support or information requested, or providing a plan, including a delivery date, for the problem correction, technical support or information requested. Responses to problems identified by Licensee as Critical will be made within one (1) calendar day.

A.4.d. The Software Provider shall also make available to Licensee, at no additional cost, any software improvements made commercially available, including, but not limited to: upgrades, patches, and new version releases.

A.4.e. Compensation to the Software Provider for Support is included within the Annual Ongoing Software License fees detailed in Section C.3.a.

A.5. Provision of Source Code.

A.5.a. The Software Provider shall provide to the Licensee all source code for the Software, including source code for any subsequent upgrades, releases, and/or new versions of the Software.

A.5.b. Within fifteen (15) calendar days after Licensee's approval of the Software License, the Software Provider shall provide the Licensee with the latest version of the Software source code.

A.5.c. Throughout the term of the contract, the Software Provider shall ensure that the Licensee's copy of the Software source code is kept current with Licensee's production environment, matching Licensee's production version level, including any upgrades, enhancements, or new releases that are applied to Licensee's system.

A.6. Representations and Warranties. Software Provider represents and warrants that the Software will perform substantially in accordance with its documentation and that the Software, or Licensee's use of the Software as permitted under this Agreement, does not infringe the copyrights, trademarks, trade secrets, or other intellectual property or other proprietary right of any third party. The term of the Warranty Period for the software performing substantially in accordance with its documentation shall be limited to twelve (12) months, from the date that the Software in question is used in a production mode in the Licensee's ERP system. The term of the Warranty Period with regard to non-infringement shall be perpetual.

B. SOFTWARE LICENSE TERM: The Contract "effective date" shall be the date the last signature is affixed to the Contract signature page; the Contract, including the License shall be perpetual.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of Licensee under this Contract exceed Five Hundred Seventeen Thousand, Nine Hundred Eighty-Nine Dollars, and No Cents (\$517,989.00) (the "Value of the Contract"). The License Fees in Section C.3 shall constitute the entire compensation due the Software Provider for the Service and all of the Software Provider's obligations hereunder regardless of the difficulty, materials or equipment required. The License Fees include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Software Provider, with the exception of Contract Section C.4.

The maximum liability represents available funds for payment to the Software Provider and does not guarantee payment of any such funds to the Software Provider under this Contract unless the Software Provider provides the required services. In which case, the Software Provider shall be paid in accordance with the License Fees detailed in Section C.3. Licensee is under no obligation to request services from the Software Provider in any specific dollar amounts or to request any services at all from the Software Provider during any period of this Contract.

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C.2. Compensation Firm. Except as specified under C.3.a, the License Fees and the Maximum Liability of Licensee are firm for the Term of the License and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Software Provider shall be compensated based on the License Fees defined herein in a total amount not to exceed the Maximum Liability established in Section C.1. The Software Provider's compensation shall be contingent upon the satisfactory completion of Software Provider's duties defined in Section A herein. The Software Provider shall be compensated based upon the following License Fees:

C.3.a. License Fees.

Core Software	Amount
Finance, Procurement, Logistics Software	
Financial Management	\$ 260,000.00
<b>Core Software License</b>	<b>\$ 260,000.00</b>

Payment Number	Core Software Description	Est Pmt Mo	Payment Percentage	Payment Amount
1	Initial Software Installation, Payment Made to Software Vendor Based on Completed Vendor Baseline Test Suite	Jul-06	50%	\$ 130,000.00
2	Final Software Installation Payment	Jan-07	50%	\$ 130,000.00
3	Annual Ongoing Technical Support Fees, Year 1	Jul-06	100%	\$ 45,760.00
4	Annual Ongoing Technical Support Fees, Year 2	Jul-07	100%	\$ 48,050.00
5	Annual Ongoing Technical Support Fees, Year 3	Jul-08	100%	\$ 50,450.00
6	Annual Ongoing Technical Support Fees, Year 4	Jul-09	100%	\$ 52,980.00
7	Annual Ongoing Technical Support Fees, Year 5	Jul-10	100%	\$ 55,620.00
	<b>Total Software and Ongoing License and Annual Maintenance</b>			<b>\$ 512,860.00</b>

Software Provider agrees that any increases in Annual Ongoing Software License fees for the licensed software that the Software Provider may wish to make upon completion of the Annual Ongoing Software License payments provided for in the table above shall not be greater than the increase in the Consumer Price Index (CPI) over the twelve month period prior to the effective date of the desired increase. CPI as used herein means the U.S. Consumer Price Index for all Urban Consumers, U.S. City Average - All Items 1982-1984 = 100 Base for the applicable twelve (12) month period as published by the Bureau of Labor Statistics. Notwithstanding the foregoing, in any event Licensee shall only pay a License Fee equal to or less than the lowest License Fee being paid by any similarly situated licensee in any year during the Term.

C.3.b. Milestone Completion Criteria and Payment Methodologies. The completion of the above milestones shall be defined as follows:

C.3.b.i. Core Software Payment Methodology.

- 1) Initial Software Installation. The Licensee shall compensate the Software Provider for Payment Number 1 above upon completion and the Licensee's written approval of the Vendor Baseline Test Suite. Payment will equal 50% of the Core Software License fee.
- 2) Final Software Installation. The Licensee shall compensate the Software Provider for Payment Number 2 above six months after completion of the Licensee's approval of the Vendor Baseline Test Suite. Payment will equal 50% of the Core Software License fee.



- 3) Annual Ongoing Technical Support Fees for License Years 1 through 5. The Licensee shall compensate the Software Provider for Year 1 Technical Support upon completion and the Licensee's written approval of the Baseline Vendor Test Suite. Subsequent Annual License payments for Years 2 through 5 shall be made on the anniversary date of the Year 1 payment.

C.3.c. In the event that this Contract is terminated prior to the end of any Annual Licensure Fee year, then the Software Provider shall prorate the Annual Ongoing Software License fee and shall reimburse Licensee for the full monetary amount of the remainder of the unused licensure year.

C.3.d. The Software Provider shall submit invoices in form and substance acceptable to Licensee with all of the necessary supporting documentation, prior to any payment.

C.3.e. If payments are not made in accordance with the terms of this Agreement, Software Provider reserves the right to suspend performance under this Agreement, without incurring liability. However, such right to suspend performance is contingent upon Software Provider providing written notice to Licensee to the attention of Licensee contact given in Section D.2 herein, with a copy to General Counsel, Department of Finance and Administration, Suite 2100, Wm. R. Snodgrass Tennessee Tower, Nashville, Tennessee 37243, at least fifteen (15) days prior to such intended suspension.

C.3.f. Additional User License Fees. Under the License granted through this Contract, the Licensee may have unlimited users, employee counts, and transaction (receipt) throughput. The Licensee shall compensate the Software Provider for additional blocks of 100 users in accordance with the following licensure fee structure:

	<b>Proposed Fee for One (1) Additional Block of 100 User Licenses</b>
Core System Users (Financial Management, iNovah)	\$0.00
Other Software Users (Users of Other Software Listed in Contract Attachment A)	\$0.00

C.3.g. Additional Device License Fees. The Licensee may install the Software on an unlimited number of devices. The Licensee shall compensate the Software Provider for each additional Device License in accordance with the following licensure fee structure:

	<b>Proposed Fee to Install the Software On One (1) Additional Device</b>
iNovah (Installed on additional devices)	\$0.00
Other Software (Users of Other Software Listed in Contract Attachment A, installed on additional devices)	\$0.00

C.4 Travel Compensation. The Licensee shall reimburse the Contractor for travel specifically related to the system support provisions of this Contract (Section A.4) and undertaken in each event with prior written approval of the Licensee. Such Compensation for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time. The State Comprehensive Travel Regulations may be found at the following website:  
<http://tennessee.gov/finance/act/travel.html>

- C.5. Payment of Invoice. The payment of the invoice by Licensee shall not prejudice Licensee's right to object to or question any invoice or matter in relation thereto. Such payment by Licensee shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.
- C.6. Invoice Reductions. The Software Provider's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by Licensee, on the basis of audits conducted in accordance with the terms of this contract, not to constitute proper remuneration for compensable services.
- C.7. Deductions. Licensee reserves the right to deduct from amounts which are or shall become due and payable to the Software Provider under this or any contract between the Software Provider and Licensee any amounts which are or shall become due and payable to the Licensee by the Software Provider.
- C.8. Automatic Deposits. The Software Provider shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Software Provider by Licensee. Once this form has been completed and submitted to Licensee by the Software Provider all payments to the Software Provider, under this or any other contract the Software Provider has with Licensee shall be made by Automated Clearing House (ACH). The Software Provider shall not invoice Licensee for services until the Software Provider has completed this form and submitted it to Licensee.

D. SPECIAL TERMS AND CONDITIONS:

- D.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:

Stephanie Richardson, Edison Project Director  
Department of Finance and Administration, Enterprise Resource Planning Division  
162 3<sup>rd</sup> Ave. North  
Nashville, TN 37243  
Phone: (615) 253-2725  
Fax: (615) 253-2980

The Software Provider:

Roger Nelson  
System Innovators, Inc.  
10550 Deerwood Park Blvd, Suite 700  
Jacksonville, Florida, 32256  
Phone: (904) 485-3979  
Fax: (904) 281-0075

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

- D.3. Subject to Funds Availability. This Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, Licensee reserves the right to terminate the Contract upon written notice to the Software Provider. Said termination shall not be deemed a breach of contract by Licensee. Upon receipt of the written notice, the Software

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Provider shall cease all work associated with the Contract. Should such an event occur, the Software Provider shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Software Provider shall have no right to recover from Licensee any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.4. Ownership.

D.4.a. Definitions of Software Categories. The Software may be comprised of the following portions:

D.4.b. "Contractor-Owned Software," which shall mean commercially available application Software the rights to which are owned by Software Provider, including but not limited to commercial "off-the-shelf" Software which is not developed using Licensee's money or resources.

D.4.c. "Custom-Developed Application Software," which shall mean customized application software developed by Software Provider solely for Licensee.

D.4.d. "Rights Transfer Application Software," which shall mean any pre-existing Software owned by Software Provider, provided to Licensee and to which Software Provider grants and assigns all of its rights, including the source code, to Licensee. (The Rights Transfer Application Software and the Custom-Developed Application Software shall collectively be known as "Work Product.")

D.4.e. Title to the Software

i. All right, title and interest in and to the Contractor-Owned Software shall at all times remain with Software Provider, subject to the license granted herein.

ii. All right, title and interest in and to the Work Product, and to Modifications (collectively, the "Developed Software") made by Licensee including without limitation all copyrights, patents, trade secrets and other intellectual property and other proprietary rights embodied by and arising out of the Developed Software, shall belong to Licensee. To the extent such rights do not automatically belong to Licensee, Software Provider hereby assigns, transfers, and conveys all right, title and interest in and to the Developed Software, including without limitation the copyrights, patents, trade secrets, and other intellectual property rights arising out of or embodied by the Developed Software. Software Provider shall execute any other documents that Licensee or its counsel deem necessary or desirable to document this transfer and/or allow Licensee to register its claims and rights to such intellectual property rights or enforce them against third parties, and Software Provider shall cooperate fully in the foregoing endeavors. Licensee hereby grants Software Provider a non-exclusive, limited and revocable license to use the Developed Software, only in connection with other state and local government entities and only after obtaining Licensee's prior approval, which approval shall not be unreasonably withheld.

D.4.f. Acquired Knowledge and Skills. Nothing in this Contract shall prohibit the Software Provider's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.

D.4.g. Development of Similar Materials. Nothing in the Contract shall prohibit the Software Provider from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.

D.5. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Software Provider by the State or acquired by the Software Provider on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Software Provider to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Software Provider's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Software Provider of this Contract; previously possessed by the Software Provider without written obligations to the State to protect it; acquired by the Software Provider without written restrictions against disclosure from a third party which, to the Software Provider's knowledge, is free to disclose the information; independently developed by the Software Provider without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Software Provider to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Software Provider due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- D.6. HIPAA Compliance. Licensee and Software Provider shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.
- a. Software Provider warrants to Licensee that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract.
  - b. Software Provider warrants that it will cooperate with Licensee, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.
  - c. Licensee and the Software Provider will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep Licensee and Software Provider in compliance with HIPAA. This provision shall not apply if information received by Licensee under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits Licensee to receive such information without entering into a business associate agreement or signing another such document.
  - d. The Software Provider agrees that it shall be liable for any charges imposed by the Federal Government on the Licensee as a result of any claim related to HIPAA non-compliance, to the extent that such claim is related to products provided by the Software Provider.
- D.7. Copyrights and Patents. The Software Provider agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Software Provider's performance of this Contract. In any such action brought against the State, the Software Provider shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Software Provider further agrees it shall be liable for the reasonable fees of attorneys for Licensee in the event such service is necessitated to enforce the terms of this provision. The State shall give the Software Provider written notice of any such claim or suit and full right and opportunity to conduct the Software Provider's own defense thereof.
- D.8. Date/Time Hold Harmless. The Software Provider shall hold harmless and indemnify Licensee; its officers and employees; and any agency or political subdivision of Licensee for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.
- D.9. Limitation of Liability. The Software Provider's liability to the Licensee, and its indemnification of the Licensee for any acts or omissions attributable to the Software Provider under this Contract, shall be limited to two (2) times the value of the Contract. The value of the contract shall be determined by the Licensee's Maximum Liability provisions in Paragraph C.1. of this Contract, or as such Maximum Liability may be amended. This limitation applies to all causes of action, including without limitation, breach of contract, breach of warranty, negligent acts, but specifically shall not apply to criminal acts, intentional

torts or fraudulent conduct of the Software Provider. The Licensee will not indemnify the Software Provider for damages caused by the Software Provider's own actions or negligence, or those of third parties.

- D.10. Accessibility. The implemented software solution must be accessible to individuals with disabilities at the time the software is put into productional use. This includes addressing the Americans with Disabilities Act (ADA) Section 508 standards and Web Accessibility Initiative (WAI) Web Content Accessibility Priority 1 guidelines. If the Licensee notifies the Software Provider that a person has made a claim against the Licensee concerning accessibility of products furnished by the Software Provider under this contract, the Software Provider will work with the Licensee in an effort to remedy the claim in a timely manner. To the extent that the claim is related to products provided by the Software Provider, the Software Provider further agrees that it shall be liable for the actual costs of attorney fees to defend the Licensee and the monetary amount of any judgments rendered against the Licensee as a result of any such claim.
- D.11. COBRA Compliance. The implemented software solution must comply with the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Software Provider agrees that it shall be liable for any charges imposed by the Federal Government on the Licensee as a result of any claim related to COBRA compliance, to the extent that such claim is related to products provided by the Software Provider.
- D.12. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:
- a. The Contract
  - b. Attachments to the Contract

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

#### STANDARD TERMS AND CONDITIONS:

- E.1. Required Approvals. Licensee is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations, as indicated by the signatures of said officials being affixed to the contract.
- E.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- E.3. Termination for Convenience. Licensee may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by Licensee. Licensee shall give the Software Provider at least thirty (30) days written notice before the effective termination date. The Software Provider shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall Licensee be liable to the Software Provider for compensation for any service which has not been rendered. Upon such termination, the Software Provider shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Termination for Cause. If the Software Provider fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Software Provider violates any terms of this Contract, Licensee shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. The State will invoke its right to terminate under this provision only for a material breach of the Contract. Notwithstanding the above, the Software Provider shall not be relieved of liability to Licensee for damages sustained by virtue of any breach of this Contract by the Software Provider.
- E.5. Subcontracting. The Software Provider shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of Licensee. If such subcontracts are approved by Licensee, they shall contain, at a minimum, sections of this Contract

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pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections E.6. and E.7.). Notwithstanding any use of approved subcontractors, the Software Provider shall be responsible for all work performed.

- E.6. Conflicts of Interest. The Software Provider warrants that no part of the total Value of the Contract shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Software Provider in connection with any work contemplated or performed relative to this Contract.
- E.7. Nondiscrimination. The Software Provider hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Software Provider on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Software Provider shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- E.8. Records. The Software Provider shall maintain documentation for all charges against Licensee under this Contract. The books, records, and documents of the Software Provider, insofar as they relate to work performed or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by Licensee, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- E.9. Monitoring. The Software Provider's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by Licensee, the Comptroller of the Treasury, or their duly appointed representatives.
- E.10. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- E.11. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Software Provider, being an independent contractor and not an employee of Licensee, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Software Provider's employees, and to pay all applicable taxes incident to this Contract.

- E.12. State Liability. State shall have no liability except as specifically provided in this Contract.
- E.13. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.
- E.14. State and Federal Compliance. The Software Provider shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- E.15. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Software Provider agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Software Provider acknowledges and agrees that any rights or claims against Licensee or its employees hereunder, and any


remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under **Tennessee Code Annotated**, Sections 9-8-101 through 9-8-407. In addition, the parties acknowledge that Licensee is subject to specific requirements under Tennessee law, and therefore cannot agree to:

- a. binding arbitration or mediation
- b. injunctive relief or the payment of court costs or attorney fees
- c. limitations of warranty or liability that are not approved under the provisions of T.C.A. 12-4-119 and implementing regulations.
- d. confidentiality agreements that are inconsistent with the Tennessee Open Records Act, T.C.A. 10-7-504.

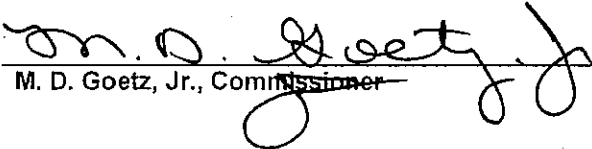
- E.16. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- E.17. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- E.18. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- E.19. Counterparts. This Agreement may be signed in two counterparts, each of which shall be deemed an original and which shall together constitute one Agreement.

IN WITNESS WHEREOF:

SYSTEM INNOVATORS, INC.:


 \_\_\_\_\_  
Roger Nelson, President & CEO Date 7/13/2006

DEPARTMENT OF FINANCE AND ADMINISTRATION:

 \_\_\_\_\_  
M. D. Goetz, Jr., Commissioner Date 7-20-06

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

 \_\_\_\_\_  
M. D. Goetz, Jr., Commissioner 52 Date 7-21-06

COMPTROLLER OF THE TREASURY:

*John G. Morgan*

*7/25/06*

John G. Morgan, Comptroller of the Treasury

Date

*LB*



## Software Products

Item	Component Description	Component Investment	Investment Total
<b>iNovah APPLICATION SOFTWARE</b>			
1	iNovah Enterprise License		
	Cashiering Volume (unlimited receipts annually)	200,000	\$200,000.
	Other Non-Cashiering Volume (unlimited receipts annually)	60,000	\$60,000.
<b>iNovah Application Software Investment:</b>			<b>\$260,000.</b>

- (1) **iNovah™** is licensed based on the Annual Cashiering Volume (the number of receipts processed through the cashiering module) **and** the Annual Other Payment Volume (the total number of all receipts from non cashiering sources including imports from other payment systems) and. This license includes unlimited seats of all modules. All payments (receipts) processed through iNovah are counted in either the Annual Cashiering Volume or the Annual Other Payment Volume regardless of their source or ultimate disposition. This license includes:

**Annual cashiering volume – unlimited receipts annually**  
**Annual other volume - unlimited receipts annually**

- (2) iNovah software includes standard interface modules to query other systems for payment information, post detailed payment information and post summary payment information. All software provided under this contract that is not developed using Licensee's money or resources shall be defined as Contractor-Owned Software.



## Vendor Baseline Test Suite State of Tennessee

This document is an Acceptance Checklist that will assist the State of Tennessee with the testing of iNovah for acceptance purposes. As each item is tested, check the appropriate box in either the "Pass" or "Fail" column. If any of the items receive a "Fail" designation according to the detail listed in this checklist and in the Implementation Document, please provide details of the incidence in the Comments section on the last page of the worksheet

It is recommended that the State of Tennessee identify test accounts and roles that will be used by the various test personnel. The State of Tennessee should reuse these test accounts throughout the testing process. Bill batches should include a combination of single payment as well as multiple payment transactions.

Pass	Fail	Item
<input type="checkbox"/>	<input type="checkbox"/>	<b>Documentation Requirements</b>  iNovah User Documentation has been delivered
<input type="checkbox"/>	<input type="checkbox"/>	<b>Software Delivery Requirements</b>  iNovah software executables and software release notes have been delivered
<input type="checkbox"/>	<input type="checkbox"/>	<b>Database Requirements</b>  Database has been installed with base data definitions.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Payment Processing</b>  Single receipt payments have been successfully processed for each payment type.  Multiple receipt payments have been successfully processed.  Single receipt payments with multiple

Pass	Fail	Item
		<p>tenders have been successfully processed.</p> <p>Multiple receipt payments with single tenders have been successfully processed.</p> <p>Multiple receipt payments with multiple tenders have been successfully processed.</p> <p>Single receipt payments have been successfully voided.</p> <p>Multiple receipt payments have been successfully voided.</p> <p>Sample receipts for each payment type have been successfully printed.</p> <p>Sample validations for each payment type have been successfully printed.</p> <p>Tender endorsements are correct.</p> <p>Payments can be suspended and resumed.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Peripherals</b></p> <p>Printers are printing the correct receipt and endorsements.</p> <p>Duplicate receipts and endorsements can be printed.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Batch Management</b></p> <p>Batches have been successfully closed and balanced and approved.</p> <p>Batches can be reopened.</p> <p>Batches can be adjusted.</p> <p>Batch reports correctly reflect batch</p>

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Pass	Fail	Item
		activities.  Cash pickups can be performed.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Security</b>  Userids and security levels have been defined.  Security levels have been defined to control system access and navigation for each user.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Offline Processing</b>  Payments can be collected if the cashiering module is offline.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Reports</b>  All base reports have been executed successfully.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Queries</b>  Payments can be located using the Browse functionality.  Payments can be located using the Find functionality.

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Comments (Please include referring item # when listing comments):

[illegible]